

Washington, DC – U.S. Rep. John Hall (D-Dover) met with U.S. Department of Agriculture (USDA) Secretary Tom Vilsack yesterday to discuss the current crisis facing the dairy industry and ways to help struggling dairy farmers.

"Dairy farmers are facing the worst financial crisis in decades," stated Congressman Hall. "Milk prices have dropped rapidly in the last year. Twenty dairy farms in my district alone closed this year and I have seen just how dire the situation is. I want to make sure that all dairy farmers, particularly the smaller farmers like those in the Hudson Valley, know that we are working with Secretary Vilsack to bring both short and long term solutions to the dairy industry as quickly as possible."

Congressman Hall worked to secure \$350 million in aid to dairy farmers in the final House-Senate conference agreement on the 2010 Agriculture Appropriations bill. Under the agreement, \$290 million will be allocated in direct payments to dairy farmers while an additional \$60 million will be directed towards the purchasing of cheese products for food banks and other nutritional programs. Secretary Vilsack will determine which farmers will receive the aid.

Congressman Hall also helped pass the 2008 Farm Bill that extended the Milk Income Loss Contract (MILC) program to 2012. The MILC program pays dairy farmers a percent of the difference when milk prices fall below an established target price. Earlier this year, MILC was activated for the first time in two years. The 2008 Farm Bill also addressed the issue of rising feed costs with a provision that adjusts the target price upward when feed prices are above a certain threshold.

Congressman Hall is also a cosponsor of the Dairy Relief and Market Stabilization Act (H.R. 3322) to raise the MILC reimbursement rate from the current 45 percent rate to 90 percent between March 1, 2009, and November 30, 2009. Hall is also a cosponsor of the Dairy Fairness Act (H.R. 3166), which would annually index MILC payments for inflation.